

**ASSEMBLY BILL**

**No. 507**

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**Introduced by Assembly Member Arambula**

February 24, 2009

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An act to amend Section 63040 of the Government Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 507, as introduced, Arambula. Infrastructure and Economic Development Bank Act.

The Bergeson-Peace Infrastructure and Economic Development Bank Act requires the California Infrastructure and Economic Development Bank to establish criteria, priorities, and guidelines for the selection of projects to receive assistance from the bank, to be based on a minimum of specified factors.

This bill would require a project selected to receive assistance from the bank to additionally have economic development benefits and meet land use criteria, as determined by the bank.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 63040 of the Government Code is
- 2 amended to read:
- 3 63040. (a) Following consultation with appropriate state and
- 4 local agencies, the bank shall establish criteria, priorities, and
- 5 guidelines for the selection of projects to receive assistance from
- 6 the bank. Projects shall comply with the criteria, priorities, and

1 guidelines adopted by the bank *and comply with the requirements*  
2 *of subdivision (b).*

3 *(b) The bank may select a project to receive assistance pursuant*  
4 *to this section only if the project meets both of the following*  
5 *criteria:*

6 *(1) (A) The project has economic development benefits.*

7 *(B) For purposes of this paragraph, a project has economic*  
8 *development benefits if the bank determines the project would*  
9 *provide for, but is not limited to, the creation or retention of jobs,*  
10 *growth of the property tax base, growth of sales tax revenues, or*  
11 *as otherwise determined by the bank.*

12 *(2) The project meets land use criteria, as determined by the*  
13 *bank.*

14 ~~(b)~~

15 *(c) The criteria, priorities, and guidelines shall, at a minimum,*  
16 *be based upon the following:*

17 *(1) The State Environmental Goals and Policy Report, or its*  
18 *successor, approved pursuant to Article 5 (commencing with*  
19 *Section 65041) of Chapter 1.5 of Division 1 of Title 7.*

20 *(2) If the sponsor is a state agency, board, commission, or*  
21 *department, the Capital and Infrastructure Project Planning Report,*  
22 *prepared by the Director of Finance pursuant to Article 2*  
23 *(commencing with Section 13100) of Chapter 2 of Part 3 of*  
24 *Division 3 of Title 2.*

25 ~~(e)~~

26 *(d) When the bank establishes or makes changes to the criteria,*  
27 *priorities, and guidelines, the bank shall notify the Governor, the*  
28 *fiscal and policy committees of the Legislature that exercise*  
29 *legislative oversight of the bank, and appropriate state and local*  
30 *agencies.*

31 ~~(d)~~

32 *(e) The resolution required in Section 63041 shall have been*  
33 *adopted prior to the project's selection by the bank.*